

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE MIDWAY CITY
SANITARY DISTRICT OF ORANGE COUNTY
14451 CEDARWOOD AVENUE
WESTMINSTER, CA 92683**

November 5, 2013

CALL TO ORDER

President Cobo called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, November 5, 2013 at 4:00 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Joy L. Neugebauer
Frank Cobo
Margie L. Rice
Tyler Diep

OTHERS AT MEETING:

Robert Housley, Finance/HR Director
Tom Nixon, District Counsel
Danielle Gerardo, Board Secretary
Rochelle Groh, Rainbow Environmental

PLEDGE AND INVOCATION

Director Diep led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE MEETING OF OCTOBER 15, 2013

A motion was made by Director Rice, seconded by Director Neugebauer to approve the minutes of the meeting of October 15, 2013, with a change. The motion was approved by a 5-0 vote.

APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF OCTOBER 23, 2013

A motion was made by Director Neugebauer, seconded by Director Cobo to approve the minutes of the meeting of October 23, 2013. The motion was approved by a 4-0-1 vote, with Director Diep abstaining.

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$ 367,646.48

#	CK #	Date	AMOUNT	VENDOR
1				HANDCUT CHECKS:
2	6386	10/17	75.15	The Gas Company - District Office & Maintenance Yard Fees for October 2013
3	6387	10/17	465.47	Verizon Business - Internet Connection for SCADA System for September 2013
4	6388	10/17	100.00	Alejandro Gonzalez - Five-Year Safety Award 2013
5	6389	10/17	100.00	Darrell Grimes - Five-Year Safety Award 2013
6	6390	10/24	124.90	AT&T - Brookhurst Lift Station Service for October 2013
7	6391	10/24	2,695.60	Southern California Edison - Archives & Parking Garage \$55.19, District Office \$677.14,
8				Maintenance Shop \$244.95, Brookhurst Lift Station \$159.31, Westminster Lift Station \$483.71,
9				Willow Lift Station \$335.55, Hammon Lift Station \$739.75 .
10	6392	10/29	180.00	Orange County Water Association - SafetyFest Training 2013 for Sewer Crew & Safety Supervisor
11	6393	10/30	38,447.52	CalPERS Retirement - Retirement Contributions for October 2013
12	6394	10/30	46,165.04	CalPERS Health Premium - Healthcare Premium for November 2013
13	6395	10/30	3,667.18	MetLife - Monthly Dental Premium for November 2013
14	6396	10/30	875.87	The Standard Life Insurance - Premium Coverage for November 2013
15	6397	10/30	966.89	Verizon California - District Office Phones & Lift Stations for October 2013; \$516.65 District Office,
16				\$150.08 Willow Lift, \$150.08 Westminster Lift, \$150.08 Hammon Lift.
17				
18			93,863.62	SUBTOTAL
19				
20				REGULAR CHECKS:
21	6398	11/1	123.55	Bodyworks - (2) Warning Chime Boards for Restock
22	6399	11/1	50,000.00	CalPERS Fiscal Services Division - FY 2013-14 GASB 45 OPEB Contribution
23	6400	11/1	60,992.81	City of Westminster - Gasoline & Diesel Usage from July through September 2013
24	6401	11/1	7,196.86	Daniel's Tire Service - (19) Recaps, (5) Repairs, & (8) New Tires for Restock
25	6402	11/1	388.00	Darrell Grimes - CWEA Grade 1 Certification Reimbursement
26	6403	11/1	8,475.00	ECIS - Fog Inspections for September 2013
27	6404	11/1	1,000.00	FPC Construction - Replaced District Back Door at Main Office
28	6405	11/1	419.19	G & K Services - Uniform Services for October 2013
29	6406	11/1	971.91	Huntington Beach Ford - (1) Fuel Pump & Filter for Restock; (1) Fuel Pump, Hose & Gasket for T9
30	6407	11/1	162.43	ID Industries - (20) Rocker Switches for Restock
31	6408	11/1	270.00	Konecranes - Inspection & Preventative Maintenance for October 2013
32	6409	11/1	1,359.40	Los Alamitos Napa Auto Parts - (50) Feet Hydraulic Hosing, (1) Tire Lubricant, (12) Motor Oil for Restock;
33				(5) Batteries for T62.

34	6410	11/1	2,450.00	Maxx Air - Filter Cleanings for T56, T52, T61, T62
35	6411	11/1	146.90	Joy Neugebauer - Health Insurance Reimbursement for November 2013
36	6412	11/1	388.00	Nick Castro - CWEA Grade 1 Certification Reimbursement
37	6413	11/1	1,330.98	Orange County Treasurer - Tax Collector - 2013-14 Secured Property Tax for District
38	6414	11/1	342.10	Ray Gaskin Service - Rebuild (1) Heil Arm Rise Cylinder for Restock
39	6415	11/1	179.75	Reyes Alternators - (1) New Alternator for Restock
40	6416	11/1	605.64	Rosemead Oil Products - (1) Drum Motor Oil, (1) Drum of Anti-Freeze for Restock
41	6417	11/1	3,588.67	Rush Truck Center - Labor & Parts to Repair T65
42	6418	11/1	1,950.00	Safety Research Consultants - 4-Hour Training for Drivers
43	6419	11/1	2,813.00	Stater Brothers Market - (29) Gift Cards for 2013 Holiday Party
44	6420	11/1	91.64	TEC of California - (1) Cap for Restock
45	6421	11/1	777.60	TrucPar Company - (3) Foot Valves, (2) Drain Valves, (2) Valves, & (6) Spring Brakes for Restock
46	6422	11/1	853.96	TSP Printing - (2,750) Driver Vehicle Inspection Reports for Restock
47	6423	11/1	224.00	Westminster Chamber of Commerce - Annual Membership Dues for 2013-2014
48	6424	11/1	1,085.00	Westminster Senior Center Foundation - (60) Gift Cards for 2013 Holiday Party
49	6425	11/1	375.00	Westminster Sunset Park - Reimbursement for Tree Damaged by Refuse Truck on 06/13/2013
50	6426	11/1	295.00	White, Nelson, Diehl, Evans LLP - Registration for 2013 Government Tax Seminar (RH)
51	6427	11/1	3,441.00	Woodruff, Spradlin & Smart - Legal Services for September 2013
52				
53			246,161.01	SUBTOTAL (BOTH HAND-CUTS & REGULAR CHECKS)
54				
55				PAYROLL
56			56,409.94	Payroll - Staff Check # 15553 - 15555 Taxes & Direct Deposits
57			1,160.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
58			851.92	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
59			55,436.91	Payroll - Staff Check # 15561 - 15563 Taxes & Direct Deposits
60			1,210.00	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
61			926.92	Payroll - Nationwide Deferred Compensation (100% Paid By Employees)
62			5,093.28	Board of Director's Payroll for the Month of October 2013 Chk # 15557 - 15560
63			396.50	Board of Director's Nationwide Deferred Compensation for October 2013 (100% Paid By Directors)
64			367,646.48	TOTAL EXPENDITURES W/PAYROLL
				BANK TRANSFERS
			50,000.00	Transfer Funds from Money Market to Checking Account
			300,000.00	Transfer Funds from LAIF to Checking Account

A motion was made by Director Neugebauer, seconded by Director Rice to approve the expenditures in the amount of \$367,646.48. The motion was approved by a 5-0 vote.

REPORTS

Report of President

None

Report of General Manager

GM Robbins reported that Director Operations/Safety Nick Castro and Lead Sewer Maintenance Supervisor Darrell Grimes passed the State Certification Test for Grade 1 Sewer Collections. Per the MOU, Darrell Grimes is eligible for a 3% increase in pay, which will be brought back to the Board for consideration and approval.

The District's Strategic Plan will be brought to the Board for review and in order to reflect the Board's decisions over the last six months, and looking forward.

GM Robbins reported that, per Board direction, a composting link has been added to the District's website under services and solid waste.

Report from Orange County Sanitation District Meeting (OCSD)

Director Diep reported that he received a letter from an employee who made allegations regarding the rigging of certain bids and contracts with regard to the IT contract at OCSD. The employee has been put on leave.

Report from Rainbow Environmental – 3rd Quarter Tonnage

Rochelle Groh, Sustainability Manager at Rainbow Environmental, gave an update on the recent educational outreach efforts. During the 2012/2013 school year, there were a total of 1,117 students in the Westminster school district who participated in the 5th grade Discovery Science Center interactive assemblies that teach kids to reduce, reuse and recycle, and for the 2013/2014 school year 433 students have already been scheduled for assemblies. The Environmental Lesson Curriculum that Rainbow provides to kindergarten through 8th grade classes has just been packaged and distributed with a total of 10,700 pieces distributed to middle and elementary schools in Westminster and Midway City. A sample of that material will be provided to the Board. America Recycles Day is on November 15, 2013 and Rainbow will be celebrating by holding a SHRED event from 9am-1pm during which residents of the District can take old files, documents and paperwork and have them shredded at no charge.

Director Rice asked Staff to add Rainbow's SHRED event on America Recycles Day to the District's website.

The Board was provided with quarterly waste disposal reports and Rochelle Groh pointed out that the District has reached and sustained a 50% diversion rate for the 3rd quarter of 2013/2014, which she credited to the Vietnamese outreach efforts being made by Rainbow Environmental Services.

Director Rice stated that Rainbow is not doing enough to bring the numbers up with the commercial waste in order to help the overall numbers.

Director Neugebauer asked if the situation in Midway City and Westminster is unique or average with regard to recycling and waste reduction.

Rochelle stated that it is unique, but that Rainbow is continuing its efforts to educate the Vietnamese community.

Report from Midway City Sanitary District Safety Award Recognition

The full Board was present at the Safety Award Recognition luncheon on October 23, 2013, in order to present 5 year safety awards to two District employees, Darrell Grimes and Alejandro Gonzalez.

Report from Independent Special Districts of Orange County Quarterly Meeting

Director Neugebauer stated that it was a worthwhile meeting with an excellent speaker from the Orange County Taxpayers Association and that Bill Nelson has been made the Treasurer for CSDA.

Directors Cobo, Rice, Krippner and Diep also attended the event. The next meeting will be on Thursday, January 30, 2014.

CONSENT CALENDAR

President Cobo requested that item 7C be pulled in order to deal with it individually.

A. Consider Attendance to the Annual Westminster Chamber of Commerce Holiday Luncheon on Thursday, November 21, 2013

B. Approval of the Request of Administrative Secretary/Receptionist Employee Julia Book to Receive 40 Hours of Vacation Pay in Lieu of Time Off

A motion was made by Director Rice, seconded by Director Neugebauer to approve Items A and B on the consent calendar. The motion was approved by a 5-0 vote.

C. Consider Renewal of Membership to California Special Districts Association (CSDA)

GM Robbins stated that his recommendation on this item was to approve it since it is an important organization for the District to belong to.

A motion was made by Director Diep, seconded by Director Rice to approve of Item 7C on the consent calendar. The motion was approved by a 5-0 vote.

OLD BUSINESS

None

NEW BUSINESS

A. Consider Changing the Date of the Tuesday, November 19, 2013 Regularly Scheduled Board Meeting in Order to Accommodate Board Travel to the California Special Districts Association (CSDA) Special District Leadership Academy (SDLA) Conference in Napa Valley, California November 17-20, 2013

A motion was made by Director Neugebauer, seconded by Director Diep to hold the next regularly scheduled Board meeting on Friday, November 22, 2013 at 3 P.M. The motion was approved by a 5-0 vote.

B. Consider a Date for a Study Session to Review the District's New Purchasing Policy

A motion was made by Director Neugebauer, seconded by Director Rice to continue this item and bring it back for Board consideration in December. The motion was approved by a 5-0 vote.

C. Discussion and Consideration to Repower one (1) of the Midway City Sanitary District's Currently Owned Diesel Power Solid Waste Trucks to Compressed Natural Gas (CNG)

Director Neugebauer stated that she feels that it is important for the Board to carefully consider repowering one truck with regard to the cost of used versus new.

A motion was made by Director Neugebauer, seconded by Director Cobo to have Staff bring back updated costs and an evaluation from someone who has done a conversion for Board consideration. The motion was approved by a 5-0 vote.

D. California Association of Sanitation Agencies (CASA) 2014 Membership Dues

Director Rice asked District Counsel if she should abstain since she a member of the Executive Board for CASA. Legal Counsel Nixon stated that there was no need and there should not be a conflict.

A motion was made by Director Diep, seconded by Director Neugebauer to renew the District's membership with CASA. The motion was approved by a 5-0 vote.

E. Consider and Approve Travel Expenses for Midway City Sanitary District's Representative to Attend California Association of Sanitation Agencies (CASA) Executive Board Meetings and Retreats

A motion was made by Director Neugebauer, seconded by Director Diep to approve to pay travel expenses for the District's representative to CASA. The motion was approved by a 5-0 vote.

F. Consider Entering Into an Agreement with Performance Pipeline Technologies to Clean and Closed Circuit Television (CCTV) 174 Miles of District Sewer Mains

A motion was made by Director Rice, seconded by Director Diep to approve the agreement with Performance Pipeline Technologies to clean and CCTV the District's sewer mains. The motion was approved by a 5-0 vote.

G. Consider Request of Solid Waste Employee Robert Mayfield to Receive 40 Hours of Vacation Pay in Lieu of Time Off

A motion was made by Director Diep, seconded by Director Neugebauer to approve to pay out solid waste employee Robert Mayfield for 13 hour of his 53 accrued vacation hours, which is the portion he is due per the MOU in January. Discussion ensued and the motion was withdrawn.

A second motion was made by Director Neugebauer, seconded by Director Krippner to continue this item until the second meeting in December in order to stay within the MOU. The motion was approved by a 5-0 vote.

H. Consider Approval of District Holiday Dinner Party Invitation

A motion was made by Director Rice, seconded by Director Neugebauer to approve the District holiday dinner invitation with one change. The motion was approved by a 5-0 vote.

I. Consider Approval of Termite Tenting of Wood Structure Buildings Owned by the District at 14451 Cedarwood Avenue

A motion was made by Director Neugebauer, seconded by Director Diep to approve as recommended. The motion was approved by a 5-0 vote.

J. 1st Quarter Financial Reports (07/01/13 through 9/30/13) – Fiscal Year 2013/2014

Finance/HR Director Housley gave a detailed summary of the report for the Board.

A motion was made by Director Diep, seconded by Director Rice to receive and file. The motion was approved by a 5-0 vote.

INFORMATIONAL ITEMS

A. Over-The-Top Program Third Quarter 2013 Report

B. Westminster Chamber of Commerce Legislation Meeting on Wednesday, November 13, 2013 from 8am-9am

C. Chamber Mixer Flyer – Business after Hours – A Celebration of Midway City Sanitary District's 75 Anniversary

Director Neugebauer directed Staff to contact the Westminster Chamber of Commerce in order to add the District's website and phone number to the Chamber of Commerce flyer promoting the Districts 75 Year Anniversary Celebration on January 30, 2014.

BOARD CONCERNS/COMMENTS

Director Neugebauer requested a copy of the information provided to the Orange County Register's most recent public records request.

Director Krippner stated that he would like to personally dedicate the meeting to his sister's husband, Ted Quick, who passed away just 20 hours ago.

Director Rice complimented Director Housley on handling Board meetings during GM Robbins' absence.

President Cobo welcomed GM Robbins back.

GM/STAFF CONCERNS/COMMENTS

GM Robbins stated that with regard to Item 9I, the District would need to be closed for a half day in order to tent the buildings over the Thanksgiving holiday.

GM Robbins wished Director Neugebauer a Happy Birthday.

GENERAL COUNSEL CONCERNS/COMMENTS

None

The Board took a break from 5:22 P.M. until 5:31 P.M.

The Board convened to a closed session at 5:31 P.M.

Director Rice excused herself for item A of the closed session.

CLOSED SESSION

CLOSED SESSION: During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.

Reports relating to (a) purchase and sale of property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time as the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

A. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION (Pursuant to Government Code Section 54956.9(d)(1).)

Name of Case: City of Westminster; Successor Agency v. Michael Cohen et al. (Real Party in Interest—Midway City Sanitary District et al.)

Director Rice reentered the closed session portion of the meeting at 6:00 P.M.

B. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (Government Code Section 54957)

The Board reconvened at 6:07 P.M.

General Counsel stated that there was no reportable action due to the closed session.

ADJOURNMENT

President Cobo adjourned the meeting to Friday, November 22, 2013 at 3 P.M. at the District office at approximately 6:07 P.M.

Margie L. Rice, Secretary

HAPPY BIRTHDAY DIRECTOR NEUGEBAUER!